From:	Mike Wexler
To:	Microsoft ATR
Date:	11/16/01 10:41pm
Subject:	MS/DOJ settlement

I must say I'm disappointed in the settlement. As the original judge
found, its quite clear that MS has a monopoly. With 90%+ marketshare in
operating systems, office applications, and web browsers its pretty
obvious. Its also quite clear that Microsoft has the ability and the
desire to use these monopolies to establish new monopolies. Its been
clear how they have used the operating system monopoly to keep hardware
vendors from bundling competing office suites or competing operating
systems.

It also seems quite apparent that these monopolies are injuring the
public. It is currently required in most businesses that you run
Windows/Office in order to exchange files with your peers. This means
most people are required to run an unstable and insecure operating
system. Much more reliable operating systems have been available for
years. So people spend a huge amount of time rebooting their computers,
reinstalling their operating systems, buying and running virus checkers,
etc. because windows is poorly designed. Unfortunately the flaws are not
obvious and first glance. Seldom does it crash using the demos that
Microsoft distributes with their operating systems. Its not until you
get it home that the pain begins.

Microsoft has started addressing some of the reliability issues of late
with Windows 2K and Windows XP. These are starting to use techniques
that have been in common practice since the early seventies for keep
flaws in applications from damaging the operating system and crashing
the computer. But its quite clear that BY DESIGN these operating systems
and the applications that Microsoft includes with them are insecure.

There are several reasons that they are insecure:

       1) The designs don't keep components compartmentalized. So its easy to
get in through a web browser or email program and effect other
components of a users system.
       2) Microsoft is sloppy in their development efforts. They leave out
error checking necessary to find buffer over run problems an they don't
use computer languages that automatically do this.
       3) Since the software is all proprietary it is not open to peer review.
Researchers, customers and competitors can't look at the code, find the
problems and fix them or ask Microsoft to fix them.

And now Microsoft is trying to tell security specialists to keep the
problems secret, Indefinitely, so that their is less pressure on
Microsoft to actually fix the underlying problems and so the general
public is not aware of the true extent of the problem.

Also, Microsoft has historically found ways to weasel out of settlements such as this one and given the terms of this settlement I would expect that to happen again.

I think that the only way to actually restore competition to the market is to split Microsoft in to pieces. These pieces need to be small enough that it is very difficult to use existing monopolies to create new ones or strengthen other ones.

I would suggest to following as a start:

1) An OS company. Selling only Windows. I might even split this into two companies. One doing Windows for desktops and the other for servers. Both having full access and rights to the current windows source code base.

2) An Office Suite company.

3) A games company. They actually have a rather large presence in this market.

4) A hardware company. Microsoft has been using its monopoly on operating systems and office products to create new hardware standards (mice, keyboards, etc) and be first to market with hardware implementations of them.

5) A languages company. Having the languages be part of the same company as the applications and OS makes it easy for them to create and use private interfaces in their applications. Having the language company be separate from both of these would mean that the interfaces that the application software uses would have to be published in a way that was usable by everybody.

6) Everything else.

Each of these would easily be a multibillion dollar company on its own and would have a leg up on the competition to start with. It very well could generate higher returns for the investors as the smaller more agile companies expand into new markets.

By the way, I know its too late for the current suit. I'm hoping that a new suit can be brought, not based on Netscape beig pushed out of the market, but based directly on the damages being done to consumers, businesses and the internet as a whole by the insecurity and instability of Windows and Microsoft's other products.